

INDUSTRIAL POLICY

AND

PLANNING



THE PUBLICATIONS DIVISION
Ministry of Information and Broadcasting
Government of India

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CHAPTER I

INTRODUCTION

FROM time immemorial India has been famous for her cotton and silk textiles paper metalware and glassware. Until the end of the seventeenth century Indian handicrafts were popular in Greece Rome and Egypt as well as in China and many other countries. In the wake of the Industrial Revolution in Europe however there followed a search for markets by the industrial nations of that continent. For instance the British first came to India for trade rather than for conquest. Later the country came under the subjection of Britain and British goods began to displace the products of Indian artisans. Indian handicrafts were thus squeezed out and Indian artisans thrown out of employment.

After a long period of industrial inactivity a few cotton and jute mills and some coal mines were started during 1850-55. These industries made considerable progress and by 1914 there were 264 cotton mills and 64 jute mills in this country. Over 15 million tons of coal were also mined in 1914.

The First World War gave a further impetus to industrial development. It brought home to our foreign rulers the realization that a policy of keeping India permanently backward in industrial growth was not in the best interests of Britain herself.

Meanwhile a strong sentiment for swadeshi had been created in the country and public opinion had also begun to demand a policy of rapid industrialization. The Government therefore appointed the Indian Industrial Commission in 1916 to examine the whole question of industrial development. The Commission recommended that active encouragement should be given to Indian industries by the State. In 1917 the Indian Munitions Board was set up to control and develop Indian resources with special reference to the needs created by the war.

The change in the Government's outlook resulted in the establishment of several new industries. The infant Indian industries were hit hard by the post-war depression and were in need of protection against foreign competition. The Indian Fiscal Commission, which was appointed in 1912, recommended a policy of selective protection. With the adoption of this policy, India was able to develop her iron and steel, sugar, cotton, cement and paper industries. The beneficial effect of protection was, however, marred by some defects and serious inconsistencies in the formula evolved for granting protection. Dumping and the policy of Imperial Preference added to the difficulties of Indian industries. Notwithstanding these handicaps, sizable cotton, textile, sugar, paper and iron and steel industries had come into existence. There was also a significant increase in the production of cement, glass, matches, soap and vanaspati.

The Second World War brought about a further development of India's industries. Europe, the USA and Japan being engaged in the war, India became the main supplier of manufactured goods to the Middle and the Far East. The pressure of war needs thus led to the establishment of several new industries. For the first time in her industrial history, India started producing locomotives, ball and roller bearings, bicycles, ships, sewing machines, diesel engines, textile machinery and rayon. A machine tool industry was also established. The manufacture of motor

tyres was developed and the iron and steel industry was equipped for the production of special grades of steel. The engineering and electrical industries as well as the textile industry also benefited considerably by the industrial expansion.

By 1948 India had become one of the most important industrial nations of the world. But although her total output was large the per capita output remained low in comparison with the other industrial countries. Indeed the larger industrial units contributed only 6.6 per cent of the total national income thereby indicating that industrialization was still in its infancy in this country.

Another fact to be remembered is that in India industrial development did not follow any rational plan and this produced an unbalanced economy. Greater emphasis was laid on industries producing consumer goods while those engaged in the production of capital and producer goods lagged behind. Most of the former such as the textile, sugar, match and salt industries were producing enough to meet the country's demand but none of the latter approached even adequacy. Important industries such as iron and steel, heavy chemicals and machinery could not meet even 50 per cent of the country's requirements. In the field of drugs, antibiotics and organic chemicals only a beginning had been made.

Rationalization and planning thus became essential for the creation of a balanced industrial economy. Little however could have been expected in this direction from the British Government in India. Fortunately the termination of the war was shortly followed by India's independence. The truly popular national government of free India brought to bear on the country's problems an entirely new view point, namely one of national interest. Having thoroughly studied these problems it came to the conclusion that greater production through industrialization alone could

deliver the people from poverty. A well defined policy regarding industrial development thus came to be laid in the Industrial Policy Resolution of 1948.

CHAPTER II

INDUSTRIAL POLICY

THE Industrial Policy Resolution of 1948 lays down that the manufacture of arms and ammunition the management of the railways and the production and utilisation of atomic energy is to be the exclusive responsibility of the State. It will also be responsible for the further development of certain other industries such as coal mining the production of iron and steel ship building the manufacture of aircraft the fabrication of telegraph and telephone equipment and mineral oil except in so far as the co operation of private enterprise is considered essential.

The industrial field not covered by the above mentioned industries is left open to private enterprise but the State reserves the power to intervene whenever the progress of an industry under private control is slow or gives cause for dissatisfaction. Control and regulation is envisaged for eighteen specified groups of industries of special importance.

Any large scale nationalisation of the existing enterprises i.e. their acquisition by the Government is not intended as the overall interests of the nation are expected to be adequately protected by judicious regulation. The Government recognise that private enterprise is capable of making an important contribution to the development of the national economy. At the same time private enterprise must accept new obligations towards the worker and the consumer. In the general interest the Government have

to make sure that private enterprise maintains a high standard of efficiency and integrity

MACHINERY FOR INDUSTRIAL PLANNING

For the fulfilment of the Government's industrial policy the Industries (Development and Regulation) Act of 1951 subsequently amended in 1953 provides the necessary machinery through which industries under private management can play their part in a national plan. The Act applies to forty-two industries classified as follows

- (a) consumer goods industries like all types of textiles vanaspathi and vegetable oils soap sugar salt pharmaceuticals drugs sewing machines knitting machines etc
- (b) capital goods and producer goods industries such as iron and steel locomotives and rolling stock ferro-manganese non ferrous metals and alloys heavy machinery for industry including ball and roller bearings gear wheels and machine tools
- (c) industries producing fuel such as coal power and industrial alcohol motor and aviation fuel and other oils
- (d) industries producing machinery for the generation transmission and distribution of electrical energy
- (e) heavy chemicals and fertilisers
- (f) automobiles tractors aircraft ship building telephone telegraph and wireless communication apparatus
- (g) arms and ammunition agricultural implements mathematical and scientific instruments small and hand tools sewing and knitting machines bicycles hurricane lanterns glass and ceramics

The Act provides for the registration of all the existing undertakings in these industries. A new industrial unit can be established only with the permission of the Central Government. If an industry shows unjustifiable deterioration in the quality and the quantity of its output the Government have the power to institute an enquiry into its working and to issue directives for remedying its drawbacks. Where such directives are not carried out the Government may take over the management of the industry.

Provision has also been made for the setting up of a Central Advisory Council which will include representatives of owners, employees, consumers, primary producers and others. This Council will advise the Government regarding the development and regulation of industries.

Under the Act Development Councils are to be set up for the various industries. They will be composed of representatives of the major interests viz. the employers, the employees, the consumers and experts. The main functions of the Councils are the co-ordination of production, improvement in quality and efficiency and the maximum utilisation of the installed capacity. They are also to be responsible for the promotion of scientific and industrial research, the collection of statistics and the training of administrative and technical staff.

PRIORITIES

An order of priorities has been laid down by the Planning Commission for industrial development. This need arose inasmuch as our financial resources are limited and there is scarcity of material and skilled personnel. The unbalanced industrial structure makes it even more necessary. We already have many consumer goods industries and some producer goods industries, all of which are highly developed. It is only proper that such industries should be encouraged to work to their full capacity. This

to make sure that private enterprise maintains a high standard of efficiency and integrity

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and development of small scale industries while the Khadi and Village Industries Board is to be set up for the promotion of cottage industries. The reservation of spheres of production is also envisaged wherever necessary. In fact the planned development of small and cottage industries has a prominent place in the overall plan for the country's economic development.

INVESTMENT AND FINANCE

The estimated total expenditure both in the public and private sectors of industry is of the order of Rs 477 crore. Out of this sum Rs 94 crore would be spent in the public and the rest in the private sector. The programme of expansion in the private sector is expected to absorb Rs 233 crore out of the estimated Rs 383 crore. The balance of Rs 150 crore is expected to be utilised for the replacement and modernization of plant and machinery.

Of the total estimated expenditure of Rs 94 crore in the public sector the Central Government will provide Rs 83 crore. The participation of private capital domestic and foreign is envisaged in some of the projects. The contribution of such capital is estimated at Rs 20 crore.

Financial assistance is to be made available to the private sector for the expansion of the existing units of the iron and steel industry and provision has been made for this in the Plan. The Plan also envisages financial assistance from the World Bank in the form of a loan for certain specific projects particularly the iron and steel industry. A considerable portion of the finance required for the aluminium and petroleum refining industries is also expected to be available from foreign sources. In addition to this the Industrial Finance Corporation will supplement the resources of the private sector.

It is obvious that in a mixed economy of the type

is envisaged by the Plan the Government can at most only influence and cannot absolutely determine the course and pattern of investment in the private sector. While some degree of guidance and control is envisaged the private sector will be left to its own initiative to a considerable extent.

CHAPTER III

DEVELOPMENT PROGRAMMES FOR INDUSTRY

THE industrial development programmes in the Plan are based on the principles outlined earlier. The programme in the public sector includes the development schemes of the Central and State Governments while the programme in the private sector embraces all projects for industrial expansion through private enterprise.

PUBLIC SECTOR

The first place among the major industrial projects in the public sector must be given to the new iron and steel plant to be set up with a production capacity of nearly 800 000 tons of pig iron and at least 350 000 tons of steel. The plant is estimated to cost Rs. 80 crore but only Rs. 30 crore will be spent during the period of the Plan. An agreement was recently signed by the Government of India with the famous German combine of Krupps Demag for this purpose. Under the agreement Krupps-Demag will provide technical assistance and train Indian technicians.

The Government Fertiliser Factory at Sindri, whose completion is provided for in the Plan, has already started production. Its total annual capacity of production is 350 000 tons of ammonium sulphate which is helping to rejuvenate our impoverished land.

Another major project in the public

Chittaranjan Locomotive Works This factory has been completed and production has already started. By 1957 it should be capable of producing 120 complete locomotives annually.

An increase in the output of the Railway Coach Factory at Perambur has also been planned. By 1955-56 its output would increase by 50 units.

The Plan further provides for the completion of the Machine Tools Factory at Jalahalli. By 1955-56 its capacity would increase by 1600 additional units. The National Instruments Factory will also be expanded. By the time the Plan is completed it will be producing additional instruments worth Rs. 65 lakh a year.

The acquisition and development of the Scindia Shipbuilding Yard at Visakhapatnam is also included in the Plan. The Yard has been taken over and is being developed by the Hindustan Shipyards Ltd. During the period of the Plan 18 to 20 ships of 50,000 DWT are expected to be built at the yard.

The setting up of a Penicillin and a DDT factory is contemplated. By 1955-56 they are expected to produce 48 million mega units and 700 tons respectively.

Other projects in the public sector included in the Plan are (1) the Indian Telephone Industries at Bangalore (2) the Rare Earth Factory at Alwaye (3) the Hindustan Cables Ltd. at Rupnarainpur in West Bengal and (4) the Mandi Salt Works. The manufacture of telephones at the factory has started, the present production capacity being 25,000 telephones a year. Production will eventually increase to 50,000 telephone instruments and 30,000 exchange lines a year. The Rare Earth Factory is engaged in the processing of monazite ore for the extraction of radio

active minerals like thorium and uranium. The present production is only for medicinal and research purposes.

Among the projects of the State Governments the most important is the expansion of the Mysore Iron and Steel Works with a view to producing 60 000 additional tons of finished steel. The technique of electric smelting of iron ore will be used for the first time in this factory.

Mention may also be made of the Madhya Pradesh Newsprint Project, the UP Government Precision Instruments Factory and the UP Government Cement Factory.

PRIVATE SECTOR

In consultation with the representatives of the industries concerned, the Planning Commission have drawn up detailed programme of expansion for forty-two industries such as the metallurgical, mechanical engineering, electrical engineering, chemical, liquid fuel, textile, timber and food industries.

Programmes for some of the more important industries are as follows:

Iron and Steel—The Tata Iron and Steel Works have a plan for the modernisation of their works whereby their capacity for finished steel will increase from 750 000 tons in 1951 to 931 000 tons by 1957. The SAIL (formerly SCOB and IISCO) too have a programme for expansion which will yield an additional 350 000 tons of finished steel and 400 000 tons of foundry iron or alternatively an additional 270 000 tons of finished steel and 500 000 tons of foundry iron by 1957. When the expansion schemes are complete, the capacity of the main producers for finished steel will increase from 975 000 in 1951 to 1 650 000 tons and the total capacity for pig iron from 1 850 000 tons in 1951 to 2 700 000 tons.

Automobiles—At present the automobile industry of India consists of twelve firms with an assembling capacity for 34 000 units. Only five of these firms have manufacturing programmes. The two principal automobile manufacturers—the Hindustan Motors and the Premier Automobiles—have also plans for the production of automobile components. Accordingly the Hindustan Motors are erecting a foundry and a forging plant. The components produced by them would reduce the price of their motor cars by Rs 700 to Rs 800.

In order to avoid wasteful competition the Tariff Commission have recently recommended the rationalisation of this industry. They have suggested a programme under which light cars will be manufactured by two factories, medium cars by one and big cars by two. Three firms will produce light and medium commercial vehicles while one will make heavy duty trucks. The manufacture of baby cars has also been recommended.

Railway Rolling Stock—The Tata Locomotive Works has a manufacturing programme of 50 locomotives and 50 boilers per annum to be achieved within the Plan period. At present four private firms are producing goods wagons and one firm is fabricating passenger coaches of all steel integral construction.

Textile Machinery—For the maximum utilisation of the existing foundry and machining capacity, private manufacturers have taken up the production of spinning and weaving machinery.

Petrol Refineries—Two petroleum refineries are planned to be erected by the Standard Vacuum Oil Co. of New York and the Burmah Shell group of London. They will have a total refining capacity of 3.2 million tons of crude oil. These two refineries will be located at Trombay Island in Bombay. The Caltex Oil Co. have another scheme

for a third refinery which is to be set up at Visakhapatnam on the East Coast. This plant will have an annual refining capacity of one million tons of crude oil. Its capacity as recently licensed is for refining 0.5 million tons of crude oil.

The Standard Vacuum Refinery is expected to start production in July 1954 and the Burmah Shell Refinery in early 1956. The total production of petroleum and petroleum products in 1955-56 is estimated to be about 4.3 million gallons. The total output of the two refineries when they go into full production in 1956-57 will be about 7.73 million gallons.

Cement—The revised expansion programme of the cement industry will increase the rated capacity from 3.28 million tons in 1950-51 to 4.22 million tons by 1952-53 and to 5.3 million tons by 1955-56. The projects under this plan include the erection of six new factories and the expansion of eleven existing units.

There are also plans for the development of the electrical engineering, chemical, liquid fuel, textile, timber and food industries. (See statement in appendix)

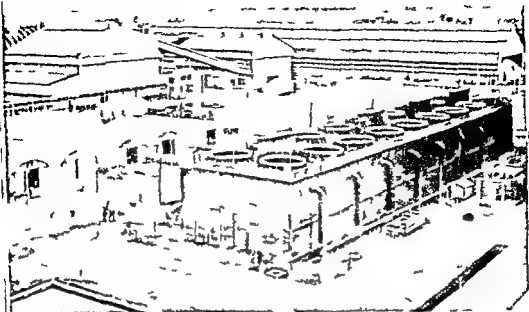
CHAPTER IV

COTTAGE INDUSTRIES AND HANDICRAFTS

As stated earlier until the beginning of the nineteenth century village industries formed an integral part of India's economy. The coming of the Industrial Revolution and the consequent progress of large scale industry in India and abroad led to the decline of these industries. In the face of unequal competition from the products of large scale industry it became increasingly difficult for the village industries to maintain themselves in the market and many of them were ultimately squeezed out altogether. The craft men who were thus displaced had therefore to join the ranks of agricultural workers. This led to a heavy pressure of population on the land. Agriculture too could not absorb all the people who had been thrown out of employment.

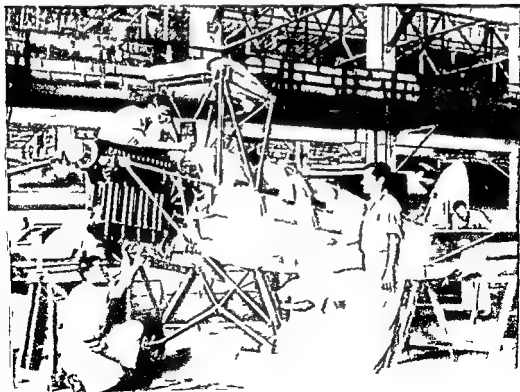
The gravity of unemployment in rural areas is best brought out by the fact that 11 per cent of the rural population are labourers who have no land of their own. Even among those who have land to till there is chronic underemployment inasmuch as they have to remain idle for a part of the year when there is no work to be done on their farms.

Village industries have immense possibilities as a source of employment to unemployed villagers. The development of village industries must therefore have an important place in the programme of rural uplift. With increased



Sindri Fertilizer Factory Bihar

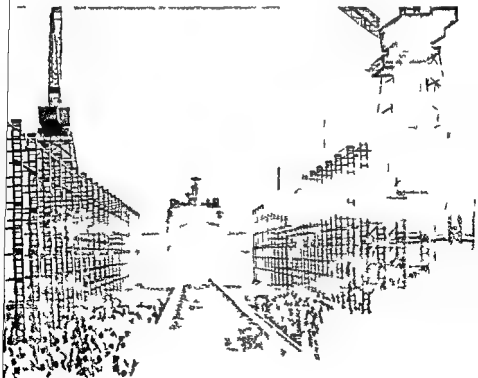
*Tiger Moth being assembled at the Hindustan Aircraft Factory
Bangalore*





Hindustan 14 on the assembly line at the Hindustan Motors Factory Calcutta

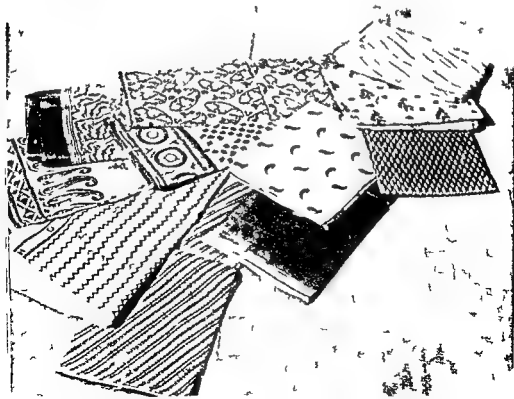
8 000 ton ship is launched at the Hindustan Shipyard V sakhapatnam





*Processing plant at the Pare
Earth Factory Alwaye*

Bengal handloom sarrees



agricultural production as envisaged in the Plan these industries will provide an extensive field of activity. For instance the demand for tools and implements and other articles of use in farming can in the future be met by the cottage industries. The provision of amenities in the rural areas and the utilisation of the waste products of agriculture also offer scope for village industries. Rural arts and crafts like embroidery and pottery must also receive adequate attention in any programme for the revival of village industries.

The main handicaps of village industries relate to organization, finance, technical skill, equipment and marketing. The Planning Commission have suggested measures for their removal. Since craftsmen cannot work on their own the Commission have suggested that village industries should be the concern primarily of the village community functioning as an organized group. The Government will of course help them to function as community institutions which will provide the landless workers and artisans with employment.

A Khadi and Village Industries Board as proposed under the Plan has been set up by the Central Government. It is composed of well known constructive workers with experience of khadi and village industries. This Board will formulate plans of development and will arrange for the training of personnel, the supply of equipment and raw materials and for marketing and research. Similar organizations are being set up in the States also. In Bombay for instance there is a Village Industries Committee and Uttar Pradesh has a Directorate of Cottage Industries.

The Government will assist cottage industries by direct measures as well as through a suitable State policy. In cases where a cottage industry comes into direct competition with a large scale industry the Government may reserve a certain sphere of production for the cottage

industry To take the example of the oil industry the production of edible oils may be reserved for cottage industry and that of non edible oils for oil mills In order to benefit a cottage industry a cess may also be levied on the corresponding large scale industry

The Planning Commission have drawn up 4 year programmes for twelve village industries which will be implemented by the Khadi and Village Industries Board in consultation with the State Governments These relate to (1) oil pressing (2) soap making with neem oil (3) paddy husking (4) palm gur (5) gur and khandsari (6) leather (7) woollen blankets (8) hand made paper (9) bee keeping (10) the match industry (11) khadi and (12) the coir industry An allotment of Rs 15 crore has been made in the Five Year Plan for the development of cottage and small scale industries This figure is however likely to be revised shortly and a substantially larger sum made available It is hoped that the programme that has been initiated for the cottage industries will provide employment to 20 lakh landless labourers and fuller employment to 36 lakh farmers who are at present under employed

SMALL INDUSTRIES

Small scale industries promise great scope for the employment of educated and trained people who are unemployed and have no capital resources of their own The Planning Commission have therefore recommended the development of small scale industries as a means of absorbing such people whose number is very large in India The value of small scale industries has been proved by the success of the Japanese industrial system which is largely based on small industrial units

Small industries may be divided into three categories (1) those in which small scale production is advantageous and is not much affected by large scale production (2)

which supply the needs of a large scale industry such as the manufacture of components for the bicycle industry
(3) those which compete with a large scale industry

The first category includes the manufacture of locks padlocks wax candles buttons and foot wear. The Planning Commission have recommended that the organization of sale marketing and financing in such industries should be undertaken on a co-operative basis.

The manufacture of bicycle parts electrical goods cutlery pottery and agricultural implements belong to the second category. Small industrial units for the manufacture of these commodities set up during the war made progress initially but were later hit hard by the shortage of iron and steel. The increased supply of power and iron and steel under the Plan will help them substantially. The Plan also provides for the reservation of spheres of production for small industries.

The best example of the third category is provided by the handloom industry which competes with the large scale textile industry. The question of protection for this industry is being reviewed by a committee appointed by the Central Government. As a measure of interim relief certain lines of production have been reserved for handloom weavers. A cess has recently been levied on surplus mill made dhoties produced above a certain quota.

Programmes have been drawn up for a few selected industries such as the manufacture of woollen goods sports goods agricultural implements brassware bell metal and bicycle parts. In order to encourage the development of these industries the Planning Commission have recommended Government patronage. For instance the Government will purchase stores from small industrial units in preference to other sources of supply. At the same time the replacement of imports by indigenous products has been recommended. Meanwhile centres are being organized for

to go into production. The installation of plant and machinery in the other industries too is nearing completion.

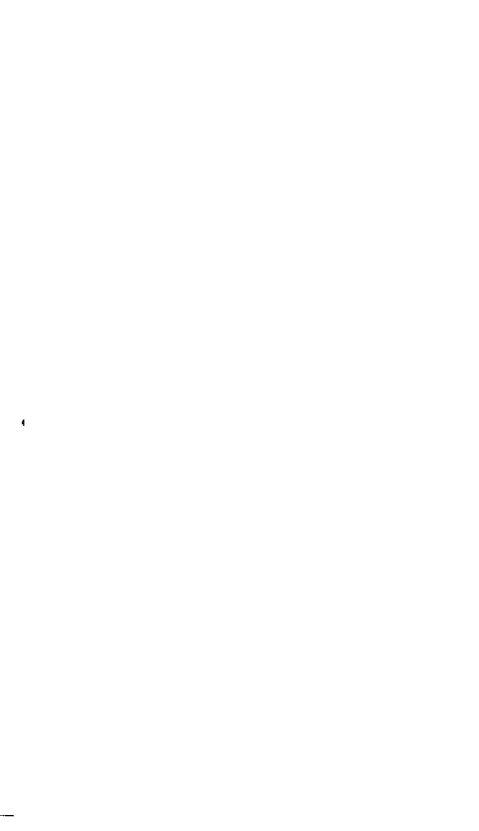
Of the industrial undertakings set up by the Central Government 6 commenced production during 1951-53. They are (1) the Chittaranjan Locomotive Works, (2) Indian Telephone Industries, (3) the Machine Tool Prototype Factory at Ambarnath, (4) the Sindri Fertiliser Factory, (5) the Rare Earth Factory, and (6) the New Mint at Alipur Cileutta.

The industrial undertakings of the State Governments have also begun production and have recorded considerable progress. The U.P. Government's Precision Instruments Factory, for instance, has started the manufacture of microscopes and water meters. A part of the expansion scheme of the Mysore Iron and Steel Works, which was under way at the commencement of the Plan, has been completed. One electric pig iron furnace has already been working since 1952 and another has been installed. The newsprint factory of the Madhya Pradesh Government is soon expected to begin production while the Dry Core Cable Factory will be completed in 1953-54.

The Hindustan Shipyards Ltd. built three ships during 1952 and two more vessels are under construction. The total number of ships so far built by them is ten. The capacity of the yard is being expanded.

The Government have entered into a partnership with Messrs Basakha Singh Wallenberg Ltd. in order to utilise the existing Housing Factory for the production of foam concrete roofing panels and prestressed concrete components etc.

With a view to meeting the country's requirements for defence, the Government have decided to establish a radar



† wireless equipment factory at a cost of Rs 70 crore
collaboration with a French firm

COTTAGE INDUSTRIES

For the development and encouragement of cottage and small scale industries the necessary administrative arrangements have been completed. An All India Khadi and Village Industries Board and an All India Handicrafts Board have been set up while the village industries are being organised in order to improve the quality of their products and to provide better marketing facilities. Meanwhile technical assistance has been ensured by imposing a cess of 1 paise per yard on all mill made cloth.

The Central Cottage Industries Emporium has been transferred to the Indian Co-operative Union which specialises in the export of Indian handicrafts to the United States of America and Canada. This measure is expected to promote the expansion of cottage industries. A loan of Rs 196 000 was advanced to the Union in 1952-53 while a sum of Rs 20 crore has been earmarked for handicrafts village and small scale industries during 1953-54.

The State Governments have also been exploring the possibilities of developing cottage industries. For instance the U.P. Government have established co-operative fruit preservation factories at Lucknow and at Ramgarh in order to utilise the large quantities of surplus fruit available at these places. A scheme for the manufacture of drugs from medicinal herbs found in the Himalayan districts has been nationalised. The Governments of Bombay and Saurashtra have also introduced small scale spinning units in the cotton growing areas.

The Government of U.P. and some other State Governments have formulated plans for the rehabilitation of the handloom industry by organising it on a co-operative basis.

Accordingly, a long term plan has been evolved for the development of co-operatives

The Central Ministry of Commerce and Industry has given financial assistance to the State Governments for their schemes for cottage industries. These include the establishment of centres for the manufacture of bicycle parts and for wool carding and finishing. Financial assistance has been given to non-official organisations also

APPENDIX I

Progress in the Implementation of Industrial Development Programmes

Sl No	Industries	Unit	Progress during 1951					Actual production during April to December		Total capacity in 1952	Additional capacity required to achieve the target
			1951-56	Additional capacity	Additional production	Additional capacity	Additional production	1951	1952		
1	2	3	4	5	6	7	8	9	10	11	12
A. METALLURGICAL											
1	Iron and Steel— (i) P & I Iron	Tons 000	1 757	1 61		166	1 350	1 377	1 950	1 685 (by 1957-58)	
	() Rolled Steel (main products only)	Tons 000	635	394		55	807	835	1 050	500 (by 1957-58)	
	Aluminium	Tons	16 000	8 3 3		2 8	2 386	523	4 000	16 000	
B. MECHANICAL ENGINEERING											
	Agricultural Machinery— () Pumps (P. res- / driven centrifugal)	Nos. 000	36	46 to 51	9	14	9	18	43	7	
	(ii) D. c. engines	Nos. 000	33	44	4	11	5	2	10	9	

	1	2	3	4	5	6	7	8	9	10	11
4 Automobiles (manufac turing only)	Nos				25 923		2 561		1 396	3 000	
5 Railway Rolling Stock—											
(i) Locomotives	Nos		150		438(1)		14	N A	4	150	
(ii) Coaches	Nos		430		4 380(1)		194	N A	550	850	430
(iii) Wagons	Nos				30 000(1)		1 001	N A	4 10	6 000	
6 Machine Tools (graded)	Nos		1 600		3 499		2 164	3 600	3 447	3 000	1 600
7 Textile Machinery—											
(i) Carding engines	Nos				600		158	N A	57	600	
(ii) Spinning engines	Nos		404		440		31	207	205	395	404
(iii) Looms plain semi and auto- matic	Nos		4 400		4 106	3 000	683	1 710	1 20	6 600	1 400
8 Ball and Roller Bearings	Nos 000		600		1 113		163	176	356	600	600
9 Bicycles	Nos 000		410		49	111	19	86	167	417	113
10 Sewing Machines	Nos 000		54		59		15	33	37	41	50
11 Hurricane Lanterns	No 000		250		2 800		768	298	11 995	4 410	90
12 Grinding Wheels	T s		480		519 to 569	40	11	36	96	500	340

	1	2	3	4	5	6	7	8	9	10	11
C ELECTRICAL LN GINEERING											
13 Dry Batteries			Nos Million	5	183			9	108	93	13
14 Storage Batteries			Nos 000	93	200			13	157	105	2500
15 Electric Cables and Wires--ACSR Cables			Tons	2500	336			40	1390	009	66
16 Electric Fans			Nos 000	72	126 to 156			20	160	145	6
17 Electric Lamps--G S L lamps			Nos Million	9	15			1	1	10	100
18 Electric Motors			HP 000	150	21			54	107	10	181
19 Electric Transformer			KVA 000	115	271			6	146	165	337
20 Radio Receivers			Nos 000	303	301			44	51	58	153
D CHEMICAL AND ALLIED											
21 Fertilizers--um 1 () Amm ph () Superph ph			T 000	403	404			5	40	185	432
			To 000	86	125			4	46	31	198

I	II	3	4	5	6	7	8	9	10	11
2	Heavy Chemicals—									
	() Sulphuric acid	Tons 000	70	101	39	3	80	74	192	9
	(i) Soda ash	Tons 000	32	33	2	2	36	33	54	32
	(is) Caustic soda	Tons 000	18	2	4	4	11	13	35	2
23	Drugs and Pharmaceu- ticals—									
	(i) Benzene hexachlo- ride	Tons 000	500	500	500	70		70	500	
	(i) Sulpha drugs	Lbs 000	400	400				80	350	50
	(i) Para amino salicy- lic acid	Tons	48	48	NA	7	7	NA	NA	NA
24	Paints and Varnishes—									
	(i) Ready mixed paints varnishes	Tons 000	5	31		4	25	24	65	5
	(ii) Pigments (titanium dioxide)	Tons	1 800	1 800	1 800	98	153	178	1 800	
	() Nitro-cellulose lacquers	Gals 000	00()	450 ()	194	NA	69	82	403()	
	(iv) Aluminium paste and powder	Tons	50	750	500	87	13	228	500	250
25	Sossp	Tons 000	15	94	7	11	63	63	72	8
26	Tanning and Foot wear (footwear only)	Pairs Millions	NA	6 0	NA	0 56	4 3	3 7	NA	NA

1	2	3	4	5	6	7	8	9	10	11
-7 Paper and paper board—										
(i) Paper and paper board	Tons 000		74	86	6	21	101	104	148	63
() Saw board and other boards	Tons 000		11	31	NA	3	NA	NA	NA	NA
8 Cement	Tons 000		0 6	2 108	442	196	396	2 714	3 845	1 461
9 Glass and Glasgow e—										
() Sheet glass	Tons		40 500	0 150	(—) 1 500	380	4 158	490	10 00	1 800
(ii) Blownware and pressed &c	Tons		36 50	51 400	6 500	3 600	NA	NA	NA	NA
E LIQUID FUELS										
30 Power Alcohol	Gals Million		8	13		2	4	5	13	8
F TEXTILES										
31 Cotton—										
(i) Yarn	Lbs Million		53	461	17	154	978	1 111	2 697	25
(ii) Cloth (m ill made)	Yds Million		35	982	19	416	3 057	3 576	4 78	NA
() Cloth (hand loom)	Yds Million		NA	890		32	600	750	NA	NA
32 Jute Manufactures	Tons 000			308		111	681	733	1 200	
33 Rayon filament	Lbs Million		14	17	6	4	4	6	10	8
34 Woolen Manufactures	Lbs 000			7 000	(—) 1 138		13 275	12 616	20	

1	2	3	4	5	6	7	8	9	10	11
G TIMBER										
35	Match	Gross Boxes 000	3 000	6 200	NA	NA	NA	NA	NA	NA
36	Plywood tea chest	Sq ft Million	41 to 51	55	21	23	45	56	171	9 to 19
H FOOD										
37	Salt	Tons 000	NA	4 6	NA	150	2 066	2 3 7	NA	NA
38	Sugar	Tons 000	10	384		602	836	531	1 540	10
39	Vegetable Oils	Tons 000	NA	181	NA	NA	NA	NA	NA	NA
40	Vanaspatti	Tons 000	56	147	6	23	129	14 *	339	50

* Estimated

(1) These figures indicate the total estimated production during the five year period 1951-56

(2) Targets have been provisionally revised in the light of recent developments

(3) The capacity of two new units capable of being worked for an additional capacity of about 97 000 gallons per annum

NA — Not available

APPENDIX II

Progress of Investment on Industrial Projects in the Public Sector

Projects		(Lakhs of Rupees)			
		1951-52 Actual	1952-53 Revised	1953-54 Budget	1954-55 Total
Central Government—		2	3	4	5
1	P. G. Iron Project	2 32 05	10 00	10 00	30 00 0
2	Hindustan Shipyard Ltd. ()	2 28	3 8 56 ()	2 32 00 ()	14 08 0
3	Machine Tool Factory, Jalshah	2 74 62	1 19 00	1 43 50	9 63 0
4	Sunderbharat Iron Works	2 36 00	1 10 00	9 00	9 03 0
5	Chittaranjan Locomotive Factory	4 00	74 00	1 30 00	3 55 0 ()
6	Railway Coach Factory	2 08	11 50	64 00	4 68 0
7	Penetration Factory, Pimpri	6 66	10 00	39 00	2 07 0 ()
8	National Instruments Factory, Calcutta	65 00	33 00	82 00	1 82 0
9	Indian Telephone Industries	1 30	33 00	70 00	1 30 0
10	Hindustan Cables Ltd., Rupsa	4 42	2 25	1 00	1 29 7
11	Development of Manganese	30 00	5 00	8 00	1 00 0
12	Development of Export Salt Works	12 91	10 00	7 45	50 0
13	R. D. T. Factory, Delhi	18 11	4 15	2 00	40 0 ()
14	Heavy Electricals Plant	0 26	13 30	10 00	39 1 ()
15	New Alkali Refinery, Aligarh	6 8	11 20	2 00	9 5
16	Nasik Refinery, Aligarh	2 00	7 94	7 5	7 00 0
17	Manufacture of Stamp Cancellation Ink	0 50	4 0	4 0	43 2
18	Photogravure Project	5 99 0	8 0 7	8 4	46 8
19					1 03
20					5
21					4 0

II State Government—

1	Mysore Iron & Steel Works	40 08	80 00 ()	1 00 00	2 83 0
2	U P Government Cement Factory	43 14	73 68	1 25 00	~ 30 5
3	U P Precision Instruments Factory	10 13	6 29	7 49	50 2
4	NLPA Mills	50 33	47 00	1 30 00	00 0
5	Sisal Ltd ()	65 57	51 43		00 0
6	Sisal Paper Mills ()	N.A.	N.A.	N.A.	60 0
7	Bihar Govt. Superphosphate Factory	40 00	3 09	6 15	41 1
8	Other projects ()	1 38 4	25 00	32 00	30 0
Total		63 09	3 06 49	4 20 64	10 94 8
GRAND TOTAL		11 62 10	11 07 86	1 59 29	99 84 3

NOTES—() Industrial schemes and projects under the Defence Ministry including the Hindustan Aircraft Ltd Machine Tool Prototype Factory and Radar and Wireless Equipment Project are not considered here (b) Projects Nos 4 5 9 13 17 19 and 21 entered into production during 1951-52

(c) Recoveries by sale of ships built at Vag were of the order of Rs 88 00 lakhs in 1951-52 Rs 2 96 56 lakhs in 1952-53 they are not deducted from the total investments

() This includes a loan of Rs 28 0 lakhs for the purchase of Vag built ships and a subsidy of Rs 1 10 06 lakhs

() This includes a loan of Rs 52 0 lakhs for the purchase of Vag built ships and a subsidy of Rs 50 0 lakhs

() Investment upto 1950-51 was of the order of Rs 11 18 0 lakhs and not Rs 10 12 0 as indicated in the Report

() Including Rs 57 0 lakhs from WHO and UNICEF

() Excluding an investment of Rs 50 0 lakhs in 1950-51

() Including 350 000 dollars from WHO and UNICEF

() Excluding the Charges in England (Stores) amounting to Rs 11 33 lakhs in 1951-52 Rs 10 21 lakhs in 1952-53

() Of which investment of Rs 40 0 lakhs has not been finally decided upon

() The projects are to be associated with the private enterprise (Birla Brothers) shortly

() Including the Travancore Cochin Ceramic and Pottery Factory and the Mysore State projects including Pottery, Soap Factory, Silk Weaving Factory, Implements Factory, Electric Factory, Meters, Projects, Fruit Canning and

N.A.—Not available

APPENDIX III

Major Industrial Projects in the Private Sector expected to be completed in 1953-54

I New Projects	Estimated Capital
1 Ballarpur Paper and Straw Board Mill Ltd.	8 000 t
2 Cement Factory at Sawa Madhopur J. pur	165 000 t n
3 Hindustan Pilkington Glass Works Asansol Brgl (sheet glass manufacture)	10 500 t n
4 Gwalior Rayon Silk Manufacturing (Weaving) Co. Ltd. Nagda	28 000 bales of staple fibre
<i>II Expansion Schemes</i>	
5 First stage expansion of SCOB IISCO	Additional 120 000 tons of finished steel
6 Expansion of Aluminium Corporation of India	Additional 500 tons of aluminium ingots
7 Expansion of Indian Aluminium Co. smelter at Alway and Rolling Mills at Belu	Addition of 12 500 tons of aluminium ingots at Alway
8 Expansion of Cement Factories at Shahbad and Bhupend	Additional 300 000 tons
9 Expansion of Shree Durgajay Cement Co. Suanthia	Additional 100 000 tons
10 National Carbon Co. of India (expansion of the refinery at Calcutta and a new unit at Madras)	25 million dry cell
11 Expansion of Sheela Paper Mill	Additional 9 500 tons of paper
12 Expansion of Alkali and Chemical Corporation Ltd.	Additional 2 500 tons of caustic soda

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